

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

)	
In the Matter of	)	IB Docket No. 02-286
	)	File Nos. ISP-PDR-20020822-0029;
GLOBAL CROSSING, LTD.	)	ITC-T/C-20020822-00406
(Debtor-in-Possession),	)	ITC-T/C-20020822-00443
	)	ITC-T/C-20020822-00444
Transferor,	)	ITC-T/C-20020822-00445
	)	ITC-T/C-20020822-00446
and	)	ITC-T/C-20020822-00447
	)	ITC-T/C-20020822-00449
	)	ITC-T/C-20020822-00448
GC ACQUISITION LIMITED,	)	SLC-T/C-20020822-00068
	)	SLC-T/C-20020822-00070
Transferee	)	SLC-T/C-20020822-00071
	)	SLC-T/C-20020822-00072
Application for Consent to Transfer	)	SLC-T/C-20020822-00077
Control and Petition for Declaratory	)	SLC-T/C-20020822-00073
Ruling	)	SLC-T/C-20020822-00074
	)	SLC-T/C-20020822-00075
	)	0001001014

**COMMAXXESS' SUPPLEMENTAL RESPONSE IN OPPOSITION
TO THE APPLICANTS FOURTH AMENDED APPLICATION FOR CONSENT TO TRANSFER
CONTROL AND PETITION FOR DECLATORY RULING.**

COMMAXXESS provides the following as a supplemental response to the June 30, 2003 filing submitted by the Applicants as the "Fourth Amendment for Consent to Transfer Control and Petition for Declaratory Ruling" to matters filed before this Commission and the Applicants endless quest to "influence peddle" their way around this Commission.

The problem with corporate governance in Singapore is that present and former high level government ministers, present and former military officers, and family members of the ruling political party are inserted and overlaid all over many of the major Singapore based and financed companies¹.

"Temasek Holdings names Ho Ching exec director

¹ <http://www.singapore-window.org/sw02/020520dj.htm>

**Dow Jones Newswires
May 20, 2002
SINGAPORE**

By Amit Prakash

TEMASEK Holdings Pte Ltd, the domestic investment arm of the Singapore government, Monday, May 20, named Ho Ching as executive director effective May 1 and banker Chris Matten as a managing director.

Ho, the wife of Singapore's Deputy Prime Minister and Finance Minister Lee Hsien Loong, is a director at the government-owned Singapore Technologies Pte Ltd. and was appointed a Temasek director in January.

Matten is the outgoing chief financial officer of Oversea-Chinese Banking Corp where he helped the bank better manage its capital and suggested ways to sell its vast non-banking assets.

The Singapore Technologies group has interests in defense manufacturing, chip-maker Chartered Semiconductor Manufacturing Ltd and mobile phone company StarHub Pte Ltd.

"She will be working closely with the board and management of Temasek to review, rationalize and consolidate Temasek's interests in various businesses," Temasek said in a statement.

Temasek said Matten will be responsible for "developing policies on capital structure and allocation, and overseeing implementation of a value-based performance framework in the Temasek Group."

The top level appointments come as the government reviews Temasek's role in the local economy, which is being restructured to lessen dependence on the traditional manufacturing sector.

Temasek critics say government-linked companies are too dominant in the local economy and hinder entrepreneurship - something the Singapore government is attempting to foster.

Temasek is the single largest shareholder in companies such as Singapore Telecommunications Ltd, SembCorp Industries Ltd, DBS Group Holdings Ltd and Singapore Airlines Ltd.

The review, in which both Ho Ching and Matten could play leading roles, will also assess how and when Temasek can divest its stakes and how to improve corporate governance.

PSA Corp, the world's leading port operator, and the government-owned power and public utilities companies, have postponed initial public offerings."

Government Linked Companies², or "GLCs", and the Government of Singapore's insistence of overlaying family members, past and present government ministers into key management, advisory and board of director positions are a subject even the Singapore press and their citizens are addressing.

"Why it might be difficult for the government to withdraw from business

By Tan Boon Seng, Feb 10, 02

Present and Former Military Officers

² http://www.sfdonline.org/sfd/Link%20Pages/Link%20Folders/02Pf/glc_100202.html#Current_sen_govt

Person: Lieutenant-Colonel Tay Siew Choon
 Current Position: Commanding Officer

Present GCL Posts: **Managing Director and Chief Operating Officer of Singapore Technologies**, Chairman of Singapore Computer Systems, Green Dot Internet Services, NexGen Financial Holdings, Asia Business Venture Holdings, SNP Corporation, KRDL Holdings, **Vertex Management and Vertex Ventures**, **Deputy Chairman and Chief Executive of Green Dot Capital**, Deputy Chairman of Vertex Venture Holdings, **Director of Singapore Technologies Telemedia**, SembCorp Industries, PSA Corporation, Chartered Semiconductor, ST Telemedia

Person: Mr. Lim Ming Seong
 Current Position: Deputy Secretary for Defence

Present GCL Posts: Group Director of Singapore Technologies, Deputy Chairman of ST Assembly and Chartered Semiconductor, and Chairman of CSE Systems and Engineering (Singapore Technologies unit)

The above named people are persons this Respondent has been in direct contact with regarding STT and its GX plans.

Family Members	Relationship To DPM Lee	Present GLC Post
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Mdm Ho Ching	Wife	Chairman of Chartered Semiconductor, ST Engineering, ST Capital, StarHub, <u>Deputy Chairman of Singapore Technologies</u> , and <u>Director of Temasek Holdings</u> and SembCorp Industries (Singapore Technologies unit)
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Having the wife of DPM Lee involved in both immediate parents of STT should be clearly seen by this Commission as being an issue of undue political influence in this matter. This Commission should take the time to verify the exact kinship and relationship between DPM Lee and Lee Theng Kiat, CEO of STT.

Mr. Kwa Chong Seng	Cousin (Mother's Brother's Son)	Deputy Chairman of Temasek Holdings (Ministry of Finance unit)
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Former govt Official	Former Government Post	Present GLC Post
Mr. Lim Chee Onn	Minister without Portfolio, Prime Minister's Office	Executive Chairman of Keppel Corporation, Chairman of Keppel Capital, Keppel Land, MobileOne and <u>Director of Temasek Holdings, k1 Ventures</u> , Singapore Airlines, and NatSteel

This Commission should recall that Steven J. Green, former GX board member and Gary Winnick purchased controlling interest in K1 Ventures from DBS Holdings and that DBS is directly tied to Temasek. On the DBS board is Gail Fosler, a member of the Council for Foreign Relations, chaired by Peter G. Peterson of Blackstone Group.

Mr Bernard Chen Tien Lap	Minister of State for Defence	<u>Corporate Adviser to Singapore Technologies and Director of DBS Group</u>
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Mr Lim Ming Seong	Deputy Secretary for Defence	<u>Group Director of Singapore Technologies,</u> Deputy Chairman of ST Assembly and Chartered Semiconductor, and Chairman of CSE Systems and Engineering (Singapore Technologies unit)
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Ms Audrey Lee	Executive Director of InfoComm Development Authority	Executive Director of StarHub (ST Telemedia unit)
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Mr Lee Kheng Nam See Vertex stock sale below.	Deputy Director of Ministry of National Development	President of Vertex Venture Holdings (Singapore Technologies unit) and Director of Silicon Illusions (Singapore Technologies unit)
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See Insider Trades information listed in the following portions of this ECFS document regarding Vertex holdings in ActivCard.

Vertex Venture Holdings was one of the founding venture capital firms and behind the financing of ActivCard³, a company founded in France and the vendor providing our Department of Defense with Smart Card technology.

ACTIVCARD PROVIDES THE "SMARTS" IN ONE MILLION COMMON ACCESS CARDS (CAC) ISSUED BY THE U.S. DEPARTMENT OF DEFENSE

FREMONT, Calif. - August 28, 2002 - ActivCard® (Nasdaq: ACTI/Nasdaq Europe: ACTI), a leader in identity management and strong authentication solutions, announced that the U.S. Department of Defense (DoD) today issued the one millionth smart card-based Common Access Card (CAC) enabled by the company's digital identity management (IDM) system and standard-setting, secure card applets.

The CAC is a military ID badge that enables building and site access around the world, photo ID, healthcare privileges, and demographic and entitlement information among other applications. The

³ http://www.activcard.com/newsroom/press_releases/082802mil_us.html?m=0

DoD uses ActivCard's open standards-based IDM system, known by the DoD as the "issuance portal," to initialize, personalize, and manage user credentials and applications on over one million chip-based smart-cards issued to active duty personnel around the world.

The one millionth CAC milestone is being celebrated today in a special ceremony at an issuance site at Fort Belvoir in the Washington DC area. The DoD has mandated that all 4.3 million DoD active personnel worldwide will be issued the new consolidated CAC ID badge by the end of 2003.

The ActivCard technology is that company and Chrysalis-ITS ⁴ combined:

ActivCard and Chrysalis-ITS have integrated their products and technology, enabling the secure, large-scale, end-to-end deployment of the smart card-based U.S. Department of Defense (DoD) Common Access ID Cards.

The DoD is using technology from ActivCard and Chrysalis-ITS to issue 4.3 million smart cards as DoD badges. These cards offer multi application capabilities including building access, photo ID, logical network services access, employee personal data storage, digital signatures and other department applications. ActivCard and Chrysalis-ITS have combined their technologies to enable secure end-to-end delivery of data and digital identity applications and keys to smart cards being issued by the DOD to over 4 million people. End-to-end begins at the smart card manufacturer and ends with the ability to manage applications and data on the card in the field, post-issuance. The Chrysalis-ITS Luna® 2 and Luna RA products generate and protect the keys used by the DoD to communicate to each individual card. ActivCard's digital identity software manages the communication to the cards, policies of card issuance and delegation of administration to card application owners.

"We are entering into a new era of network based computing, an era where physical location is irrelevant, being 'wired' is irrelevant, and almost any device can and will deliver network services," said Jean-Gérard Galvez, Chairman and CEO of ActivCard. "Enabling this new era requires combining technologies and partnering to build standards- based systems that leverage expertise and core competencies. It is the end result we are after. It is the end result that holds the promise of anytime, anywhere, any terminal access to network services and it is the end result that will transform businesses and improve our quality of life." "Ultimate Trust in an online world begins with technology and ends with the confidence that a user is who they say they are online, services are what they appear to be and that transactions and communications are executed as they were intended to be executed," explained David Longbottom, President and CEO. "By combining our technologies and systems, ActivCard and Chrysalis-ITS have delivered this confidence to the DOD and have enabled a standards based system that will be the foundation of similar deployments for online banking and financial services, healthcare and corporate enterprises."

Who is Chrysalis-ITS ⁵?

⁴ http://www.chrysalis-its.com/PDFs/case_study/dod_case_study.PDF

⁵ http://www.chrysalis-its.com/news/press_releases/press_2003/072803_chrysalis_luna_sa_entrust_ready_7.01.htm

“Press Release 2003

Chrysalis-ITS™ Luna® SA First HSM to be Entrust Ready for Entrust Authority™ Security Manager 7.0

Ottawa, Ontario – July 28, 2003

Chrysalis-ITS, the leading provider of hardware security modules, servers and appliances, announces that its Luna SA, and Luna CA³ products are the first hardware security modules (HSM) to achieve **Entrust Ready™ status for compatibility and interoperability with Entrust Authority™ Security Manager 7.0 software**. This, the most recent in a long history of Entrust Ready certificates awarded to Chrysalis-ITS, demonstrates the tight integration and ongoing commitment by Chrysalis-ITS to support Entrust's advanced security product portfolio.

Entrust Authority, the backbone of Entrust's identity and security management offerings, is the market-leading Public Key Infrastructure (PKI), and manages the full lifecycle of Digital Identities required to transparently deliver accountability and privacy across governments and enterprises. Chrysalis-ITS' Luna SA and Luna CA³ HSMs have been fully integrated and tested with the latest release of Entrust Authority Security Manager, Version 7.0, to offload the root key functions from the software into a single tamper resistant hardware system, which can host up to 20 separately managed private root keys from multiple Entrust application servers, providing customers with a flexible, highly secure hardware-based key management and storage solution, with low cost and great ease of deployment.

“Chrysalis-ITS has built a solid reputation as a premium supplier of hardware security products, and have always led the market in their integration with Entrust's evolving portfolio of digital identity software security applications,” said Eric Skinner, vice-president of identity and security management solutions at Entrust. “Together with Entrust's identity and security management portfolio, Chrysalis-ITS' Luna SA delivers a cost-effective, high-performance security solution that can scale to meet the unique security configuration requirements of our government and enterprise customers.”

“Since the beginning of our partnership in 1996, customers of Entrust and Chrysalis-ITS have benefited directly from our integrations – ensuring the integrity of their security architectures with offerings that minimize cost of ownership and maximize ease of use,” said Randy Kun, vice-president of product management, Chrysalis-ITS. “The combination of Entrust Authority Security Manager 7.0 and Luna SA ensures that enterprises benefit from Entrust's improved privacy and audit capabilities and increased flexibility from Chrysalis-ITS via a convenient, yet highly-secure network connection, for the highest levels of secure key management.”

The Luna SA from Chrysalis-ITS provides Entrust customers with secure shared access to critical encryption hardware over a TCP/IP network, while dramatically lowering the total cost of HSM ownership. As the world's first, and most advanced, HSM server, Luna SA also provides an unprecedented capability to be partitioned into multiple virtual HSMs to support independent applications, as well as providing complete hardware-based protection for millions of online user identities.

Entrust customers can manage Luna SA from remote locations because it is designed to securely communicate with supported applications across an Ethernet network. Unlike previous generation security devices, which were directly attached to their clients, Network Trust Links™ permit the Luna SA to be shared between many client applications. Users can fully segregate the administration of sensitive cryptographic administration with up to 20 HSM Partitions. These partitions reduce the time and cost to deploy and manage multiple HSMs. HSM partitioning can also be used to offer shared acceleration for computationally intense cryptographic operations.

Protecting the cryptographic keys that underpin the foundation of Entrust's security offerings is a critical element in achieving the high levels of security demanded by businesses and governments

around the world. Chrysalis-ITS and Entrust have collaborated in delivering integrated security solutions to numerous customers worldwide.

For further information on supported Chrysalis-ITS Entrust environments see: http://www.entrust.com/partners/profiles/chrysalis-its_inc.htm.

About Chrysalis-ITS

Chrysalis-ITS is a leading vendor of hardware security modules, servers and appliances to secure and accelerate online applications. Focused on performance, security and low deployment cost, Chrysalis-ITS products power security solutions for the world's leading financial institutions, service providers, and government agencies. **Chrysalis-ITS is headquartered in Ottawa**, with regional offices throughout North America, Europe, and Asia. The company website is **www.chrysalis-its.com**

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The following is a general article about insertion of this technology into our Defense Department:

"May 2003

WHO ARE YOU? ⁶

DoD Gets Smart

BY NEIL ROITER

America's largest employer is also facing the nation's biggest identity management challenge: How do you control digital and physical access to millions of employees and contractors? And how do you administer account information for an organization in which annual personnel turnover exceeds the total number of employees in most Fortune 100 firms?

The answer, for the U.S. Department of Defense, is the Common Access Card (CAC), a PKI-enabled smart card that enabled personalized access control to, well, just about everything.

"The idea is that you're always carrying this card," says Rob Brandewie, deputy director for the DoD's Defense Manpower Data Center (DMDC). "When you're using the computer, when you're trying to get on base, when you're on the chow line, getting medical or personnel services, or getting on an airplane manifest. *That's* the vision."

By the end of this year, Brandewie expects the CAC to be issued to 4.5 million military personnel, DoD civilian employees and contractors. In conjunction with this, DoD's Defense Enrollment Eligibility Reporting System (DEERS) personnel benefits database was converted from a batch-fed mainframe to an Oracle database at redundant data centers, with feeds from the department's many personnel systems.

⁶ <http://infosecuritymag.techtarget.com/2003/may/dodid.shtml>

"The idea of identity management is more than just issuing a card," he says. "It's looking at your entire business process and locking it down, so when someone gains access to your resources, you know to a certainty who that person is."

DoD contracted **ActivCard**⁷ to help solve the daunting task of creating a secure card-issuance system and converting 900 distribution centers from conventional IDs to smart cards. About 800 centers were active as of March.

The department chose Java card over the competing MULTOS technology for a variety of reasons: superior capability for handling multiple applications, support for updating existing cards, and security and interoperability.

Some of the applications are being implemented with the rollout; others still are in the planning stage. Users are frustrated at times because the cards are being issued first, before the application infrastructure is in place. "It's kind of like the chicken and the egg," says Brandewie, who's based at Ft. Ord, near Monterey, Calif. "If you have an infrastructure, but no one has a card, you can't change the applications over."

The project also had to overcome challenges with national security certification. Brandewie's DMDC team and ActivCard had to break new ground to meet National Institute of Standards and Technology (NIST) FIPS 140-2 cryptography certification and National Security Agency (NSA) systems security accreditation.

"That was uncharted territory," says Brandewie. "Getting this whole process certified was a key integration issue. For example, Java had never been through FIPS."

A key to setting up the issuance process was that the Real-Time Automated Personnel Identification System (RAPIDS) distribution centers and application processes were already in place. Previously, RAPIDS issued conventional ID cards; now, the applicant gets a CAC. The issuing officer uses his CAC to access the DoD issuance portal and personnel information database over an SSL-secured channel. The issuance portal obtains PKI certificates and keys from the department certificate authority and injects the information directly onto the CAC via a Global-Platform-enabled Secure Channel.

As the rollout proceeds, other pain points come to the surface. Brandewie was "a little taken aback" at the immaturity of the smart card industry. For example, there were software problems with cards that were supposed to be working. More frustrating was the pace of the NSA security accreditation.

"The security process has been extremely painful; it's too slow," Brandewie says. "It may take six months to get a security evaluation done." He said the agency is working on a process that's more responsive.

Overall, Brandewie says, it's been a positive experience. "We've solved the security issues. We've got the technology to the point we're happy with it--it's stable. And a lot of other agencies are beginning to take notice."

NEIL ROITER is *Information Security's* features editor.

The beginnings of ActivCard were cited by this UK based company⁸ and on the ActivCard website.

⁷ <http://www.activcard.com/>

⁸ <http://www.allasso.co.uk/editeur.phtml?a=67>

“Founded in 1988, in Paris, France, ActivCard began as an engineering contractor to NATO and the French navy, creating customized solutions for an environment in which controlled access is a linchpin of national security.

ActivCard was the first to market smart card reader test equipment that helped resolve compatibility issues as smart cards first began to take hold in Europe. Early customers include France Télécom, Siemens, VISA and other smart card reader manufacturers and service providers.

In 2001, ActivCard acquired Safe Data Systems, a Montpellier-based company specialized in AAA authentication servers, which has added functionality to the ActivPack range. ActivCard also acquired the Australian company Authentic8 International, thus expanding ActivCard’s product portfolio to include technology and services required for banks and service operators to deliver managed digital identity solutions.”

This Respondent learned of the Green Dot Capital, Vertex⁹, Singapore Technologies relationship to ActivCard¹⁰ through Green Dot and StarHub, both of Singapore. This Respondent was directed to ActivCard Smart Card technology to fulfill an enterprise / customer need.

The following are just two of many insider¹¹ sales made this year on this stock:

2003-05-29	LEE, KHENG NAM Director	*100,000	Sale at \$10.62 per share. (Proceeds of \$1,062,000)
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See above for information relating to government insiders with the last name “Lee” having key positions in companies invested into by Temasek and its various alter egos including this particular persons relationship to DPM Lee and Theng Kiat Lee, CEO of STT.

2003-05-22	VERTEX INV INTL (III) INC Director	100,000	Planned Sale (Estimated proceeds of \$1,095,000)
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Who is Entrust?

Executives and Board¹² **Board of Directors**

Our Board of Directors is a collection of accomplished individuals with life-long legacies of service to leading organizations and government agencies. Their collective leadership, perspective and vision

⁹ http://www.vertexmgt.com/portfolio/po_portfolio_industry_elec.html

¹⁰ http://www.vertexmgt.com/portfolio/po_portfolio_industry_elec.html#activcard.us

¹¹ <http://biz.yahoo.com/t/A/ACTI.html>

¹² <http://www.entrust.com/corporate/management/board.htm>

continues to help position Entrust as a world leader in securing digital identities and information. The Board includes:

- **F. William (Bill) Conner**

Chairman

- **General Wesley K. Clark** US Army (retired, former NATO commander)
- Liener Temerlin
- Butler C. Derrick, Jr.
- Douglas Schloss
- Terrell B. Jones
- **Michael P. Ressler**
- Edward O. Vetter

F. William Conner: A corporate turn-around and Internet security expert, Mr. Conner was selected as Chairman of the Entrust Board in January 2002. He has served as President and Chief Executive Officer of Entrust since April of 2001 and is among the most experienced security and infrastructure executives worldwide. Mr. Conner has served on the Entrust board of directors since 1997 and was Chairman of the Board from October 1998 to May 2000. Prior to joining Entrust, between 1992 and April 2001, he held various senior executive positions at Nortel Networks, including president of Nortel Enterprise Networks and e-Business Solutions where he successfully turned around the global \$5 billion business. Mr. Conner also served as president of Nortel's first Enterprise Data Networks line of business, where he orchestrated for Nortel its \$9 billion acquisition of Bay Networks. In addition, he served as Nortel Networks' first chief marketing officer and spearheaded the integration and alignment of the corporation's strategic communications, branding and marketing, including its global "Come Together" and "What Do You Want The Internet To Be?" marketing campaigns. This work had a dramatic increase in brand recognition and business results. Marketing Computers named him "hi-tech marketer of the year" in 2000. Mr. Conner joined Nortel Networks in 1992 from AT&T, where he served in various leadership positions.

Mr. Conner currently serves on the Board of Directors of Travelocity.com. **He also serves on the Board of Visitors of the U.S. Joint Forces Command and keynoted at the Supreme Allied Command SACLANT (NATO) Seminar in Norfolk, VA in June 2001.** Mr. Conner previously held board positions with Williams Communications and MATRA Nortel Networks.

General Wesley K. Clark US Army (retired): General Clark joined the Entrust board of directors in January 2002. General Clark is currently managing director, Merchant Banking at the Stephens Group, Inc. where he works in high technology venture capital. He previously served as both the supreme

allied commander of the NATO forces in Europe and the commander in chief of the United States European Command. General Clark earlier served as the commander in chief of the United States Southern Command. A published author and five-time recipient of the Defense Distinguished Service Medal, General Clark's pro bono work includes serving as a distinguished senior advisor for the Center for Strategic & International Studies (CSIS), a Director of the Atlantic Council and a member of the board of the International Crisis Group. **On August 9, 2000, he was awarded the Presidential Medal for Freedom, the nation's highest civilian honor. [bestowed by the Clinton Administration].** General Clark regularly serves as military analyst for Cable News Network (CNN).

Michael P. Ressler: Mr. Ressler has served on Entrust's board of directors since May 1999. He has served as Vice President, Nortel Networks since January 2001. Prior to that time, Mr. Ressler served as Vice President of Finance of Nortel Networks Enterprise Solutions group from February 1999 to January 2001. From May 1994 to January 1999, Mr. Ressler served as Vice President of Finance for the Carrier Solutions business unit of Nortel Networks. Prior to these assignments, Mr. Ressler held a number of senior finance management posts within various business units of Nortel Networks.

Mr. Conner is from Helena, Arkansas, a Princeton graduate and a named defendant in several multi-billion dollar stock fraud actions involving Nortel Networks that are filed in Toronto¹³ (\$5.0 billion) and New York¹⁴. Note that Nortel is one of the “*Big Eight Vendors*” cited in the Global Crossing Disclosure Statement filed in December 2002.

To rig their international LDDD as reported by a former GX engineer that has come forward with information to this Respondent, GMS and GPS switches such as those made by Nortel would have to be programmed to duplicate certain false LDDD calls and report them multiple times. Area codes 718-XXX and 516-XXX are reported to be where such calls are generated from, if this information is on target. By routing these calls offshore, settlement can easily be engineered to be offshore.

That would be grounds for an 11 USC § 523(b)(2) action by the shareholders, former employees and even many creditors for objection to discharge and unfair treatment under the bankruptcy on the basis of fraud alone. Additionally, such removal of cash from the debtor's books by falsifying its operating expenses would be a felony bankruptcy crime under 18 USC §§ 152-157 of the U.S. Code. This Debtor states that “cost of access and maintenance” is 70% and more of its top line every month, a figure that is way above the norm for networks that purportedly own their long haul transport assets.

Mr. Wesley Clark might well be the NATO connection that got ActivCard into the DoD. Until very recently, he worked for Stephens, Inc., Little Rock, AR in their Washington, DC

¹³ http://www.rochongenova.com/docs/Nortel_SOC.htm

¹⁴ <http://www.faruqilaw.com/RecentFillings/Complaints/nortel.htm>

office and that firm was a major political backer of Clinton. In fact, when the Clinton 1992 campaign ran out of cash in the New York primaries, Stephens / Riady (John Huang's Riady) controlled Worthen Bank & Trust in Little Rock was the entity that loaned the Clinton campaign \$2.4 million to keep moving towards the White House.

None of us should be surprised that the Stephens family would like to have another insider in the White House in the form of Ret Gen Wesley Clark.

Mr. Michael P. Ressler is currently one of **the nine new board members of WilTel Communications** after that company blew out all of their common shareholders and did a Lock Up Chapter 11 bankruptcy engineered by Blackstone Group (financial advisor to Debtor Global Crossing as well) and Leucadia National.

Mr. Ressler is being named in a RICO action being brought by the WCG shareholders and non-lock up bondholders now that they fully grasp what was done to them and by whom.

It is all related and it is all premeditated intent to take over companies, technologies, assets, customer revenues, and gain market advantages at the expense of the investing public.

The questions relating to national security are simple:

Was the U.S. so inept at Smart Cards during the Clinton Administration, when this ActivCard procurement commenced, that it had to contract for Department of Defense access cards with a company that started off as a vendor to NATO [while Wesley Clark was at that position] and the French Navy and was founded in France? This Respondent submits that Ret Gen Wesley Clark may have played a role in getting ActivCard into NATO and then into our Department of Defense and now aligned with a company benefiting from that move.

Do we as a nation want anyone in France knowing what the access protocols and technologies are for our defense installations worldwide?

Do we as a nation want a company based in Canada, under the blatant influence of Li Ka-shing and his backing of the extreme liberal Chretien government, being part of our national security and having any knowledge of the techniques, technology and protocols for accessing our defense installations worldwide?

Does anyone on this Commission or CFIUS recall in March 2003 when CNN, Fox¹⁵, CNBC, etc ran the photos of Adnan G. el Shukrijumah¹⁶, the dirty bomb suspect? Who would be comforted to know that he was last seen in Hamilton, Ontario in December 2002, three hours from Detroit and only 45 minutes from Buffalo? This Respondent knows how and when it was reported to the FBI and to what regional office.

¹⁵ <http://www.foxnews.com/story/0,2933,81700,00.html>

¹⁶ <http://www.fbi.gov/terrorinfo/adnan.htm>

One cannot help but ask; *“When the Chinese PRC so easily obtained (stole) nuclear secrets from U.S. laboratories were they using ActivCard to gain access to key, sensitive and classified nuclear technologies?”*

Do we as a nation want anyone in Singapore to know what the technologies are that access our Department of Defense installations worldwide?

Has anyone at the federal government, defense, and national security level verified that any possibility for insertion of back doors, code overrides, or other “design features” has not been designed, inserted into, or can be overlaid onto these “national security access cards”?

Is anyone in Washington, DC prepared to guarantee that they have been diligent and checked into any potential national security breach this technology might be used for to penetrate our national security?

Does anyone in DC grasp that a network can be used to override or “grant access” at will if someone knows the underlying protocols? Does anyone in DC grasp that a VPN can be operated at stealth levels that defy detection? Global Crossing asserts that its Department of Defense contracts do not require security. Are those network services attached to any “point of access” to any defense facility anywhere in the world?

ActivCard is a company this Respondent is very familiar with due to some Smart Card applications we have researched for some key business sectors. The ActivCard technology was not secure enough for our enterprise in e-banking applications far less demanding than national security. We asked very tough questions and the answers were that security could be compromised too easily.

The former GX engineer providing information to this Respondent reports the following on this date:

“All I know was in the media, regarding Q and the others laying fiber on what they thought was railway right of way, was private property in thousands of cases across the U.S. and the settlement wasn't much per owner.

I know gx fiber techs must be certified on railway safety or they can't go on the tracks to work on anything or do a fiber locate, in light of the war on terror and threats to our country by terrorists, the fiber technicians and their management should also be U.S. citizens to be permitted to work on railroad corridors, tunnels and bridges, not to mention Holland Tunnel.

GX fiber crosses many municipal bridges, tunnels, streets, sidewalks, public buildings and rides alongside many U.S. highways as well, its everywhere.

The sale of global crossing to Singapore, with respect to its buried fiber in public areas, is permitting a foreign country to do construction on U.S. soil, if they install new fiber of have a fiber break, they will be letting a foreign country dig up our roads, install fiber and tech gear that no one will question.

Some of the most critical fiber runs on either CSX or NJ transit rail lines between NYC and Trenton, lights up the entire East Coast, 1 fiber may have 8-10 OC 192s on it, with upgrades to lucent 800g wavestar, might be 160 OC48s riding the light.

The federal government ought to really consider hard what is being given away to Singapore, the power to shut down or interrupt U.S. communications, regardless of what is on them.

How much are they willing to bet, that a mysterious major outage costing millions will be caused shortly afterward by GX and blamed on an error, like someone "accidentally" connected the wrong control cable or sent/mapped the wrong IP address and someone in Singapore "thought" they were working on something else, but were really shutting down a node on a fiber ring, locking everyone else out and taking down the whole ring, in effect shutting down the voice network and the internet."

"GX was also bidding for a NJ transit contract, not sure if they got it, they also have a contract with Jet Blue Airways and Metro North Rail/MTA of NYC.

They may also still have a contract with the TSA / FAA provide some for links radar and communications of our nations air traffic control.

They connect to virtually every major bank and trading company in every major city.

They had a contract with Yahoo for 800 voice and backbone IP hosting.

Contract with a federal contractor for public assistance administration services in the midwest IL/WI area.

Someone once said, Global Crossing connects to just about every name brand company out there, you name it they probably have it."

The question posed to this former GX engineer was regarding Treasury Secretary John Snow, in his capacity as the former Chairman CEO of CSX, a firm that has been sued multiple times successfully for ROW deals with telecoms to the detriment of the landowners along abandoned railroad ROW. Much of GX fiber is run down such ROW and they have been sued along with certain railroads too.

See Attachment 1.

As recently as July 16, 2002, multiple telecoms in these ROW cases were sanctioned for "forum shopping"¹⁷ by U.S. District Judge Ann Aiken. Some of those lawsuits involve CSX ROW issues. See Attachment 2.

The following excerpt is from the Qwest class certification order:¹⁸

¹⁷ <http://www.ackersonlaw.com/020716.zografos.htm>

¹⁸ <http://www.ackersonlaw.com/QwestClassCertOrder.pdf>

“Beginning in the 1990s, Qwest designed and implements a plan to create a nationwide network of fiber optic cable. It was to Qwest’s considerable business advantage to install that fiber optic network as quickly and inexpensively as possible. The network was critical to Qwest’s longer-term strategy of becoming a primary competitor in the long distance telephone business. Most of Qwest’s network was installed on existing railroad rights-of-way throughout the country, an approach that allowed Qwest to utilize existing railroad arteries and to negotiate directly with the railroads for the acquisition of property interests in relatively long stretches of land.

Qwest knew that some proportion of the right-of-way property held by the railroad with whom Qwest negotiated was held by the railroads only through easements, and Qwest knew that title challenges might be brought by the owners of that land. In fact, the railroads insisted on including title disclaimers in their contracts, the meaning of which was understood by Qwest.

Jack Shives, Qwest’s designated corporate representative and Assistant Vice President of Right-of-Way and Real Estate, testified in deposition about the meaning of such provisions. Mr. Shives stated that Qwest understood that under the terms of the railroad agreements, Qwest was assuming the risk of any title challenges. He also testified that the right-of-way was “at risk”, in that “there may be a title issue.” According to Mr. Shives, it was “spelled out” in the railroad agreements “that the risk of using the right-of-way is to the user, not the railroad, so that’s a risk that telecom companies assume.” According to Mr. Shives, this was a risk that Qwest accepted as a cost of doing business. [Affidavit of Troy J. Seibert, Ex. C at 102-07.]”

“Qwest paid millions of dollars to various railroads for the purported right to occupy right-of-way corridors. The Court finds that Qwest agreed to pay such sums because this allowed it to obtain purported property interests that, whether or not illusory, gave Qwest the opportunity to install its network relatively inexpensively and relatively quickly.”

During the adjudication of these ROW lawsuits, most of which have been found in favor of the plaintiff landowners, three key questions have come up. First, under what type of corporate mindset were the railroads of this country leasing land for ROW to telecoms that the railroads did not own and specifically putting disclaimers in some of those agreements that they did not own or control title to the land? Secondly, these same ROW issues involved CSX, whose former Chairman CEO was Secretary of Treasury John Snow, the chair of CFIUS and many of those ROW issues involved GX.

We submit that the relationship is too close for involvement in these deliberations, and especially at the level of controlling what the President sees to make his decision on.

The Financial Advisor to Global Crossing is Blackstone and yet other “insider”¹⁹ connections surface. Blackstone has interests in many companies that have contracts with Global Crossing and directly would benefit from this outcome they are trying to manipulate.

Members of The Conference Board's Commission on Public Trust and Private Enterprise include:

Co-Chairs

- **Peter G. Peterson**, Chairman of The Blackstone Group, former Secretary of Commerce and Chairman of the Federal Reserve Bank of New York
- **John W. Snow**, Chairman, CSX Corporation and former Chairman, Business Roundtable

Members

- **John H. Biggs**, Chairman, President and CEO, TIAA-CREF [**sitting on the Unsecured Creditor's Committee of Global Crossing**]
- **John C. Bogle**, Founder and former Chairman, Vanguard Group, Inc.
- **Charles A. Bowsher**, former Comptroller General
- **Peter M. Gilbert**, Chief Investment Officer, State Employees' Retirement System, Commonwealth of Pennsylvania
- **Andrew S. Grove**, Chairman of Intel Corporation
- **Ralph S. Larsen**, former Chairman and CEO of Johnson & Johnson, former Chairman of The Business Council
- **Arthur Levitt Jr.**, former SEC Chairman and former Chairman of the American Business Conference
- Professor **Lynn Sharp Paine**, John G. McLean Professor of Business Administration Harvard Business School
- Former Senator **Warren B. Rudman**, Paul, Weiss, Rifkind, Wharton & Garrison. [**partner Robert Drain, appointed as SDNY bankruptcy judge and was the person representing Li Ka-shing and Hutchison Whampoa in the Global Crossing matters**]
- **Paul A. Volcker**, former Chairman of the Board of Governors, Federal Reserve System

May 28, 2002 • News

Robert Drain Appointed as United States Bankruptcy Judge for the Southern District of New York²⁰

Robert Drain has been appointed by the United States Court of Appeals for the Second Circuit as a United States Bankruptcy Judge for the Southern District of New York, sitting at the Bowling Green Courthouse in Manhattan. Judge Drain's public induction ceremony is scheduled for June 10, 2002 at 4:00 p.m. in the Bowling Green Courthouse. His appointment was noted in the May 28 edition of the *New York Law Journal*.

¹⁹ http://www.afponline.org/ohc/091802/172_article_16/172_article_16.html

²⁰ <http://www.paulweiss.com/news/newsfeaturepage.asp?id=1635175282002&table=pub&page=news>

August 19, 2002 • News

Paul, Weiss Represented Hutchison Whampoa Limited in an International Transaction Together with Singapore Technologies Telemedia Pte Ltd to Acquire Global Crossing²¹

Paul, Weiss represented Hong Kong-based conglomerate Hutchison Whampoa Limited in connection with its agreement to acquire, together with Singapore Technologies Telemedia Pte. Ltd., a 61.5 percent interest in a reorganized Global Crossing. On August 9, 2002 the U.S. Bankruptcy Court approved the agreement. The remaining equity, and \$200 million of new debt securities, will be issued to creditors of Global Crossing. Global Crossing filed for protection under Chapter 11 of the U.S. Bankruptcy Code in January 2002, in what was at the time the fourth largest bankruptcy, and largest telecommunications company bankruptcy, in U.S. history. This was a complicated international transaction that draw heavily on expertise in our Hong Kong, New York and Washington offices. Hong Kong-based corporate partner Jack Lange and New York-based bankruptcy partner Steve Shimshak led the charge. Other attorneys making major contributions to the effort were: *Corporate*: Toby Myerson, Ken Schneider (New York) and associates Corinna Yu (Hong Kong), Matthew Abbott and Gustav Bahn (New York). *Tax*: Peter Rothenberg and associate Emily Schaffer (New York). *Telecom/Regulatory*: Phillip Spector, counsel Richard Elliott and Laura Sherman (Washington) and Didier Malaquin (New York), and associates Anthony Stenger and Douglas Melcher (Washington). *Bankruptcy*: associate Erica Weinberger (New York).

Why should Americans have “Public Trust” in such a committee when some of the Poster Children for what is wrong in our capital markets were put on that committee?

We respectfully suggest that this matter be addressed and clean it up. Do not speak to Americans about “rule of law” when under “color of law” this fraud is allowed to stand and prosper and worse, rubber-stamped for approval by the very persons who purportedly protect American interests. Global Crossing is a mere influence peddler and any stamp of approval on this fraud is lowering our institutions and leaders to their level of corruption.

They have an agenda. CICC is co-owner of the new Asia Global Crossing, dba: Asia Netcom and includes Goldman Sachs and the Singapore Government as owners of CICC. Now they want GX and Asia Netcom originates from within the PRC.

STT assures that they will limit “foreign visitors” to GX hubs. So what? Asia Netcom has access straight through those hubs and visiting hubs is not necessary to penetrate the United States through the hubs already in place in the “seamless network”.

The faith in our capital markets and our institutions is gone for the simple reasons that: i.) Americans have been plundered and robbed; and ii.) those that purport to enforce and protect have looked the other way and failed to enforce our laws. Now those that have failed Americans are expected to endorse Global Crossing and pat them on the back for a fraud well done.

(*Editors Note | CSX was run by CEO John Snow until last week, when Snow was tapped to replace Paul O'Neill as the Treasury Secretary by the Bush administration. The Carlyle Group is an incredibly powerful multinational corporation that enjoys senior advisors like George Herbert Walker Bush and James Baker III. Now, CSX and Carlyle have joined. The same names seem to keep popping up in all sorts of interesting places. - wrp)

²¹ <http://www.paulweiss.com/news/newsfeaturepage.asp?id=118178192002&table=pub&page=news>

Carlyle Group Buys Chunk of CSX

By William Spain
CBS.MarketWatch.com

Tuesday, 17 December, 2002

A private equity group with interests in everything from soda pop to self-propelled guns has nipped off a piece of CSX.

After the bell Tuesday, transportation giant CSX announced that it would sell a majority stake in its domestic container shipping unit -- CSX Lines -- to the Carlyle Group for approximately \$240 million in cash and \$60 million in securities.

The deal, subject to regulatory approval, is expected to close in the first quarter of 2003.

According to Michael Ward, CSX president, "completion of this transaction is consistent with our long-stated strategy of becoming a more rail-based organization, strengthens our balance sheet and provides shareholders with significant value."

CSX Lines, which moves goods between the continental United States and Alaska, Hawaii, Guam and Puerto Rico, accounted for about 8 percent of the company's \$8 billion in revenues last year.

Shares of CSX (CSX: news, chart, profile) closed up 20 cents at \$29.35 Tuesday.

The sale comes just days after CSX CEO John Snow was tapped by the White House to be the new Secretary of the Treasury.

The Carlyle Group is headed by Frank Carlucci, former secretary of defense in the Reagan administration. Other prominent players at the private global investment firm include William E. Kennard, former FCC chairman, Arthur Levitt, former SEC chairman, James Baker, III, former secretary of state, and John Major, former prime minister of Great Britain.

Former president Bush has also lobbied Saudi Arabia on behalf of Carlyle Group.

This Respondent recalls a time when the Clinton Administration boasted of being the most ethical in U.S. history and history taught us well the fallacy of that claim. Approval of the Global Crossing sham is lowering this administration to that level.

On September 2, Reuters reported that Mr. Snow received a terse and rejecting type welcome in Beijing regarding U.S. wishes on balancing the value of the yuan against the U.S. dollar and stop milking U.S. jobs from U.S. workers.²²

China Welcomes Snow with Tough Talk²³

Tuesday September 2, 6:38 AM EDT

By Brian Rhoads

²² http://money.excite.com/ht/nw/bus/20030902/hle_bus-n02314615.html

²³

<http://www.reuters.com/newsArticle.jhtml;jsessionid=XZJW0GHOWC2SWCRBAEZSFFA?type=businessNews&storyID=3371562>

BEIJING (Reuters) - China, bristling at calls to revalue the yuan, ruled out any change to its currency peg during a visit by U.S. Treasury Secretary John Snow on Tuesday but offered a token easing of its capital controls.

Snow, who landed in Beijing on Tuesday afternoon, is under pressure at home to urge China to revalue the yuan, which is pegged to the dollar, to save jobs at hard-pressed U.S. factories.

The International Monetary Fund weighed in on Tuesday, saying it was in China's best interests to move toward a more flexible exchange rate system.

"Such a move would improve the central bank's ability to control money and credit growth, and also help cushion China's economy from domestic and external shocks," IMF Managing Director Horst Koehler said in a statement.

China stood its ground.

"There won't be any change in the exchange rate just because someone is visiting China," a spokesman for the People's Bank of China, the central bank, told Reuters.

The state-run China Daily newspaper said it did not want the yuan to become an issue in the 2004 U.S. presidential race.

"China's currency, unfortunately, is in a position of finding itself involved in the finger-wagging sessions that accompany this essentially American saga," it said in a commentary under the title "Don't meddle with the yuan."

And shortly after Snow arrived, Foreign Ministry spokesman Kong Quan told a news conference China would maintain exchange rate stability.

"The stable exchange rate of the renminbi is conducive to the economic stability and development of China, Asia and the world," he said.

American manufacturers say a cheap yuan, held at around 8.3 to the U.S. dollar, gives Chinese rivals an unfair edge.

WASTE OF TIME?

Snow has said little publicly while in Asia about China's currency but Japanese Finance Minister Masajuro Shiokawa said they had agreed in talks in Tokyo that the market should set the value of the yuan.

Snow was due to meet central bank Governor Zhou Xiaochuan and Finance Minister Jin Renqing on Tuesday afternoon.

"I think John Snow is wasting his time, because China is not going to revalue its currency because the U.S. wants them to," the Economist Intelligence Unit's chief economist, Robin Bew, told Reuters in Hong Kong.

China is worried about the damage a revaluation may cause to export growth that has helped fuel one of the world's fastest-growing economies.

It has dug in against the pressure to revalue -- mainly from the United States, Japan and South Korea -- saying jobs and social stability are more important than changing the yuan peg.

But Beijing, continuing with a series of adjustments to capital controls aimed at easing the pressure on the yuan to appreciate, said it would raise the limit on the amount of foreign exchange Chinese travelers could buy from banks.

This minor adjustment to capital controls was unlikely to satisfy U.S. manufacturers, who have targeted China's currency in a debate that is gathering steam ahead of the U.S. election.

PRESIDENTIAL HEAT

Feeling political heat over lost manufacturing jobs, President Bush marked Labor Day on Monday with the promise he would work to ensure nations attracting U.S. factories overseas have fair trade policies.

About 2.5 million of the three million U.S. jobs lost since Bush took office in January 2001 have been in the manufacturing sector, and Democrats hoping to unseat him next year are arguing Bush has been a failed steward of the U.S. economy.

China had a \$103 billion trade surplus with the United States last year. Money from exporters, combined with strong investment inflows and speculators hoping to make money if Beijing buckles, have pushed Chinese foreign exchange reserves through the roof.

Battling to soak up these foreign inflows, which have swelled reserves to \$357 billion, the Chinese central bank has pushed up money supply -- running the risk of boosting inflation in red-hot sectors such as property.

Bush did not single out any countries for increased scrutiny, but U.S. manufacturers complain China and Japan keep their currencies artificially low, the latter by intervening in currency markets.

The U.S. Treasury chief travels to Thailand on Wednesday for a meeting of Asia-Pacific finance ministers, where the yuan debate is expected to be a central feature. (Additional reporting by Shinichi Kishima in Tokyo, Azhar Sukri in Hong Kong and Juliana Liu in Beijing)

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Sure, now we are all WTO friends, right? Maybe this U.S. government should start studying the interplay between the Red Chinese yuan and the Singapore dollar to better understand. Maybe the connection between long-range removal of U.S. jobs and impact on our economy and the dollar in favor of building China into a financial powerhouse, beneficial to Singapore as well, needs to be better considered, understood and acted upon “in the interests of the United States and its citizens”.

Maybe now Secretary Snow and President Bush better appreciate how low in esteem the Chinese hold our interests and sense of fair play and even the differences between right and wrong. Why should they respect our lofty goal of “right and wrong” when we do not live it in our nation or in our laws? They will continue to plunder our nation until our leaders show the political will and moral courage to say enough is enough and put a stop to it. Shareholders of companies like Global Crossing that have been plundered are already saying enough is enough and watching what this administration does. They are watching to see if there is the courage to say “No” or merely aiding and abetting the Global Crossing fraud and low-ball sale to a foreign company owned outright buy a foreign government.

Maybe this Commission and CFIUS should explore as to how many Singapore stock exchange firms and technologies are being literally absorbed by Red Chinese interests for deployment in mainland China. Additionally, what role the Singapore currency exchange points and banks are being used to resist changing the indexing of the Chinese yuan against the U.S.

dollar in a larger “Asia Strategy” not intended to be in the best interests of the United States. Dig deep enough and this Commission and CFIUS would find Goldman Sachs (see CICC), Citigroup and others with longer-range plans for mainland China helping in China yuan management matters.

Additionally, it was announced from Asia Monday²⁴ on our Labor Day holiday that Mr. Legere is completely confident that GX will get this fraud through CFIUS and U.S. Treasury and even approved by our President. Mr. Legere is apparently so detached he is unaware of anyone objecting to this sham even though thousands are doing just that.

Of course, Mr. Legere could not care less if President Bush is re-elected as millions watch to see if our government approves yet another fraud and fails to enforce the laws of this land upon those who have plundered with impunity.

When impunity is allowed to exist, what is the message one sends and role model one creates?

If Wall Street and their major clients are allowed to plunder with impunity with only miniscule fines relative to the damage and havoc they wreak, why shouldn't the Red Chinese and Singapore expect the same WTO entitlement?

ST TELEMEDIA'S BID

'Nod likely' for deal on Global Crossing

US telco's chief says national security concerns over the buyout have been addressed adequately

By Roger Mitton

WASHINGTON - A bid by Singapore Technologies Telemedia (ST Telemedia) to buy bankrupt American telecommunications company Global Crossing is likely to be accepted later this month.

Global Crossing's chief executive officer, Mr. John Legere, told The Straits Times he was sure the Singapore investment would be approved.

Earlier, doubts had been expressed that the deal might not go through due to US concerns about a foreign business buying an American company that handles sensitive national security data.

Mr. Legere said he believed these concerns had been addressed adequately.

The controversial deal is currently being reviewed by the Committee on Foreign Investment, chaired by Treasury Secretary John Snow.

It will present its views to President George W. Bush by Thursday.

Then, the President will have 15 days to decide whether to let the Singapore takeover go ahead.

Mr Legere said: 'Between Sept 4 and 19, President Bush will decide. I'm confident that it will be a positive outcome.'

ST Telemedia, a subsidiary of Temasek Holdings, made its US\$250 million (S\$441 million) bid to take a controlling 61.5 per cent interest in Global Crossing last year.

²⁴ <http://straitstimes.asia1.com.sg/world/story/0,4386,207814,00.html>

But because Global Crossing's fibre-optic network carries sensitive information, members of the intelligence community questioned the deal on security grounds.

In an attempt to reassure the Americans, Prime Minister Goh Chok Tong wrote to Vice-President Dick Cheney in July.

According to Mr. Legere, the security concerns were less about Singapore's ownership of the US telco and more about seeking to establish a general policy for the foreign ownership of critical infrastructure in the US.

'I haven't heard of anybody having a question about Singapore Technologies or about Singapore's ownership in general. I don't believe there is an opposition to Singapore,' he said.

Currently, Global Crossing has eight contracts with the US Department of Defence, none of which is classified or otherwise requires security clearance.

Any future potential transmissions of more sensitive data would be subject to additional security measures set down by the Department of Defence.

Global Crossing also has classified government contracts in Britain, and these have been evaluated by London, which has concluded that there is no potential security threat if the ST Telemedia bid is approved.

A similar evaluation is expected in the United States, paving the way for the deal to go ahead.

To ensure this outcome, Global Crossing, along with several other agencies, such as the Department of Justice and the FBI, have signed a network security agreement that outlines how it will operate under Singapore ownership.

There will also be directors cleared by US government security on Global Crossing's new board.

Other ST Telemedia concessions include agreeing to keep the maintenance of the network control and data storage in the US and agreeing to limit visits by foreign officials to Global Crossing's US facilities.

Fortunately, the shareholders of GX and this Respondent cannot recall a single statement made by Mr. Legere that has ever come true.

In an Age of Insanity and Greed, we American citizens believe that a little more sanity from our elected and appointed leaders would be both refreshing and comforting.

Marcus Aurelius: ***"Of each and every thing ask but this; in its purest essence, what is it?"***

This nation may well be "the Fall of Rome" faster than even the Romans managed to do it due solely to elected and appointed leaders coddling the will of those that hold money more dear than the security or future of this nation.

We are absolutely sure that there are many angry American workers and investors watching this charade and ready to vote against this administration if someone does not wake up and put an end to the type of fraud that has put so many Americans into the poor house and out of work while the power brokers and influence peddlers dance on the financial graves of their

victims. The removal of jobs from the U.S. to mainland China did not start last month, it started about five years ago and has accelerated as no one has done anything about it.

It is all connected and we are all under assault except those that are aiding and abetting the assault for money.

In all due respect to this Commission, CFIUS, Secretary Snow and President Bush, the only word Global Crossing deserves is “no”. That is all their conduct has earned.

Respectfully submitted,

Karl W. B. Schwarz
Chairman, Chief Executive
501-663-4959

Dated: September 3, 2003

CERTIFICATE OF SERVICE

I, Karl W. B. Schwarz, hereby certify that on this 3rd day of September 2003, I caused a true and correct copy of the foregoing Supplemental Response In Support of National Security Issues to be served on the following parties in the manner indicated:

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Attachment 1

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FOR IMMEDIATE RELEASE

INDIANA COURT APPROVES \$7 MILLION LANDOWNER CLASS SETTLEMENT

Noblesville, Indiana, January 23, 2002 – An Indiana judge last Friday approved a class action settlement for more than 9,000 Indiana landowners with claims against CSX Railroad. According to lawyers for the landowners, the settlement will resolve all title claims between CSX and the landowners on both sides of 600 miles of abandoned railroad right-of-way in Indiana, and CSX will pay as much as \$7 million dollars to the class members.

The settlement will resolve a 9-year-old class action that has twice gone to the Indiana Court of Appeals. The class action, named *Clark, et al. v. CSX Transportation, Inc.*, was filed in Hamilton Superior Court in 1993, and Judge William J. Hughes certified the class action in 1994. In 1995 the Indiana Court of Appeals upheld that decision, explaining that the case was “based on CSX's unreasonable refusal to acknowledge the extinguishment of abandoned right-of-ways (easements or lesser interests) throughout Indiana and CSX's continued course of conduct in exercising dominion over these extinguished interests which has clouded the landowners' title to abandoned railroad corridors.”^{25 26}

The *Clark* case was the first Indiana right-of-way class action to be certified and affirmed. It was also one of the first in the nation involving fiber optic cable and other unauthorized uses of abandoned railroad rights-of-way. As a result of discovering thousands of documents in the *Clark* case, landowners became aware of deals reached between CSX and certain telecommunications companies, such as AT&T and MCI WorldCom, to install fiber optic cable on both active and abandoned railroad corridors, as well as on pipelines and power lines. That knowledge gave rise to other multi-million dollar class actions against the major telecommunications companies, railroads, pipeline and power companies. A nationwide class action has been certified against AT&T, and several cases have been settled, including settlements with AT&T in Indiana, Ohio,

²⁵ <http://www.ackersonlaw.com/SprintClassCertOrder.pdf>, also involving CSX while John Snow at the helm.

²⁶ <http://www.ackersonlaw.com/QwestClassCertOrder.pdf>, also involving CSX while John Snow at the helm.

Connecticut, Maine, New Hampshire and Arkansas. The same lawyers have represented the landowners in each of those cases.

Nels Ackerson, one of the lead attorneys for the class of landowners, explained, “This has been a very long and expensive battle for Indiana landowners. Finally they will be paid for the use of their land. Even more important to many landowners, the cloud on their title will be lifted, so they will finally have the full use and enjoyment of their property.”

Lead plaintiff George Clark said, “I am pleased that this lawsuit has finally been resolved in a way that compensates landowners like myself for all the trouble the railroad has put us through. At last they are doing the right thing. This is what we have been waiting for.”

Another class representative, Jim Crouch, of the Hamilton County Farm Bureau Co-Op, added, “I want to thank Nels Ackerson, Henry Price and others for seeing this lawsuit through to its fair conclusion. Landowners’ rights finally have been vindicated by this settlement.”

Indianapolis attorney Henry Price, another lead attorney for the plaintiffs, added, “This settlement achieves what we have been seeking all along for the landowners: just compensation for the use of their land, and resolution of all title claims between the landowners and CSX. Everyone has reason to be satisfied with this result.” Final approval of the settlement is expected at a hearing in July, 2002, and before that time notice of the terms of settlement will be sent to class members.

The landowners’ counsel are The Ackerson Group, Chartered, in Washington, D.C.; Koonz, McKenney, Johnson, DePaolis, Lightfoot, P.C. in Washington, D.C.; Zelle, Hofmann, Voelbel, Mason & Gette, LLP in Minneapolis, MN; and Price, Potter, Jackson, Waicukauski & Mellowitz, P.C. in Indianapolis, IN. The same attorneys represent landowners in more than 50 other right-of-way class actions nationally.

Contact:	Nels Ackerson Andrew Myers, Paralegal The Ackerson Group, Chartered & 1666 K Street, NW, Ste 1010 Washington, D.C. 20006-1217 (202) 833-8833 nackerson@ackersonlaw.com www.ackersonlaw.com	Henry J. Price Arlene G. Anderson Price, Potter, Jackson, Waicukauski & Mellowitz, P.C. 301 Massachusetts Avenue Indianapolis, Indiana 46204 (317) 633-8787 hprice@price-law.com www.price-law.com
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Attachment 2

Sprint, WorldCom, Qwest, Level 3, Williams Slammed for “Judge Shopping”

Portland, Oregon, July 16, 2002 – A federal court Friday ordered a harsh sanction against five telecom companies and class action plaintiffs for illegal judge shopping. The court’s action pulls the rug out from under a nationwide class action settlement that would have eliminated liabilities of the five telecom companies valued at more than a billion dollars. In a fourteen-page opinion, Judge Ann Aiken found “clear evidence of judge shopping by the settling parties,” explaining, “To allow this amended complaint to go forward would be to approve the settling parties’ tactics.” The judge concluded, “Protecting the integrity of the judicial process mandates dismissal of the amended complaint.”

Sprint, WorldCom, Qwest, Level 3, and Williams Communications are accused in more than 50 class action lawsuits of illegally installing fiber optic cable on some 56,000 miles of corridors without paying the owners of the land. Hundreds of millions of dollars is allegedly owed. The settlement would have removed that liability and would also have transferred real estate valued at a billion dollars or more to the telecom companies. The companies agreed to pay a \$40 million dollar attorneys fee to the plaintiffs’ lawyers with whom they cut the deal.

Landowners in other class actions around the nation filed papers in opposition to the proposed settlement, calling it a “sweetheart deal” between the lawyers and the defendants, where the victims would get only pennies on the dollar. Rural organizations including the American Farm Bureau Federation have supported the rights of landowners against telecom companies and others who use rights of way without permission. Several such cases, including class actions against AT&T, have been settled with greater compensation to landowners. Other cases are proceeding toward trial in several jurisdictions.

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These lawsuits also involved CSX right of way and property issues.

We have found nothing to show that GX fully disclosed these potential liabilities to the bankruptcy court, their creditors, or their shareholders.